

HOUSE BILL No. 1598

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.5-5; IC 6-6-5.5.

Synopsis: Logistics development incentives. Authorizes a county to adopt an ordinance providing a temporary exemption from the wheel tax for vehicles owned and used in the operation of twenty-first century logistics enterprises at certain locations. Authorizes a county to adopt an ordinance providing a temporary exemption from the commercial vehicle excise tax for vehicles owned and used in the operation of twenty-first century logistics enterprises at certain locations. Limits the exemptions to vehicles owned and used at a new logistics enterprise or in the expansion of the fleet of an existing logistics enterprise. Requires the Indiana economic development corporation to certify the owner's eligibility for an exemption.

Effective: July 1, 2009.

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January 16, 2009, read first time and referred to Committee on Small Business and Economic Development.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1598

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.5-5-1.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]: **Sec. 1.5. (a) As used in this chapter, "adopting county"**
4 **means a county that adopts an exemption ordinance under section**
5 **3.5(a) of this chapter.**

6 **(b) As used in this chapter unless the context clearly denotes**
7 **otherwise, "corporation" refers to the Indiana economic**
8 **development corporation established by IC 5-28-3-1.**

9 **(c) As used in this chapter, "qualified location" refers to a site**
10 **located in an adopting county that satisfies either of the following**
11 **requirements:**

- 12 **(1) The site is located not more than three (3) miles from:**
13 **(A) an interstate highway other than Interstate Highway**
14 **65;**
15 **(B) an airport;**
16 **(C) a port;**
17 **(D) a freight railroad depot; or**



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(E) a commuter rail station.

(2) The site is a brownfield (as defined in IC 13-11-2-19.3).

The term may not include a site located in a county containing a consolidated city unless the site is described by subdivision (1)(D) or subdivision (2).

(d) As used in this chapter, "qualified logistics enterprise" refers to a business enterprise engaged in twenty-first century logistics (as described in IC 5-28-10-4(4)).

(e) As used in this chapter, "qualified vehicle" refers to a commercial vehicle that is:

(1) owned by a person who operates a qualified logistics enterprise;

(2) registered for use in Indiana; and

(3) primarily used at a qualified location.

SECTION 2. IC 6-3.5-5-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3.5. (a) This section applies to a qualified vehicle placed into service in a county that adopts an exemption ordinance under this subsection for a registration year beginning after December 31, 2009, and ending before January 1, 2013. A county fiscal body may provide a temporary exemption from the tax imposed under this chapter by adopting an exemption ordinance after June 30, 2009, and before November 1, 2009. The county fiscal body shall send a certified copy of an ordinance adopted under this subsection to the bureau, the department, and the corporation.

(b) Subject to section 3.7 of this chapter, the owner of a qualified vehicle may claim an exemption under this section in an adopting county if:

(1) the qualified vehicle is used at a qualified logistics enterprise that commences operations at a qualified location after December 31, 2009; or

(2) the qualified vehicle is purchased as part of a fleet expansion by an owner who is engaged in a qualified logistics enterprise in operation at a qualified location before January 1, 2010.

(c) Except as provided in subsection (d), a qualified vehicle in an adopting county is exempt from the tax imposed by this chapter for the first two (2) registration years that the qualified vehicle is used at the owner's qualified logistics enterprise.

(d) This subsection applies only to a qualified vehicle used at a qualified logistics enterprise that is located in a brownfield. A

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qualified vehicle subject to this subsection is exempt from the tax imposed by this chapter for the first three (3) registration years that the qualified vehicle is used at the owner's qualified logistics enterprise.

(e) The exemption provided by this section does not excuse a qualified vehicle from the registration requirements of the International Registration Plan or IC 9-18.

(f) Any business that substantially reduces or ceases an operation located in Indiana and outside a qualified location in order to relocate in a qualified location in an adopting county is disqualified from receiving an exemption under this section.

SECTION 3. IC 6-3.5-5-3.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3.7. (a) The owner of a qualified vehicle in an adopting county may not claim an exemption under section 3.5 of this chapter unless the corporation determines that owner is eligible to receive an exemption under section 3.5 of this chapter. If the corporation determines that the owner of the vehicle is eligible for an exemption under section 3.5 of this chapter, the corporation shall issue a certificate of eligibility to the owner of the commercial vehicle.

(b) The exemption may be claimed for each registration year on forms prescribed by the department or the bureau, whichever is appropriate.

(c) To claim an exemption under this section, the owner of a qualified vehicle must submit to the department or the bureau, whichever is appropriate, the following documents when registering the vehicle:

(1) A copy of the certificate of eligibility issued under subsection (a).

(2) The form required by subsection (b).

(d) Subject to section 3.5(c) through 3.5(d) of this chapter, an exemption may be claimed under section 3.5 of this chapter for a registration year that begins after December 31, 2009.

SECTION 4. IC 6-3.5-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. A vehicle is exempt from the wheel tax imposed under this chapter if the vehicle is:

(1) owned by this state;

(2) owned by a state agency of this state;

(3) owned by a political subdivision of this state;

(4) subject to the annual license excise surtax imposed under IC 6-3.5-4; or

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(5) a bus owned and operated by a religious or nonprofit youth organization and used to haul persons to religious services or for the benefit of their members; **or**

(6) subject to section 3.5 of this chapter.

SECTION 5. IC 6-6-5.5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1.5. (a) As used in this chapter, "adopting county" means a county that adopts an exemption ordinance under section 3.5(a) of this chapter.**

(b) As used in this chapter unless the context clearly denotes otherwise, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1.

(c) As used in this chapter, "qualified location" refers to a site located in an adopting county that satisfies either of the following requirements:

(1) The site is located not more than three (3) miles from:

(A) an interstate highway other than Interstate Highway 65;

(B) an airport;

(C) a port;

(D) a freight railroad depot; or

(E) a commuter rail station.

(2) The site is a brownfield (as defined in IC 13-11-2-19.3).

The term may not include a site located in a county containing a consolidated city unless the site is described by subdivision (1)(D) or subdivision (2).

(d) As used in this chapter, "qualified logistics enterprise" refers to a business enterprise engaged in twenty-first century logistics (as described in IC 5-28-10-4(4)).

(e) As used in this chapter, "qualified vehicle" refers to a commercial vehicle that is:

(1) owned by a person who operates a qualified logistics enterprise;

(2) registered for use in Indiana; and

(3) primarily used at a qualified location.

SECTION 6. IC 6-6-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 3. (a) Except as provided in section 3.5 of this chapter,** there is imposed an annual license excise tax upon commercial vehicles, which tax shall be in lieu of the ad valorem property tax levied for state or local purposes, but in addition to any registration fees imposed on such vehicles.

(b) Owners of commercial vehicles paying an apportioned

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1 registration to the state under the International Registration Plan shall
 2 pay an apportioned excise tax calculated by dividing in-state actual
 3 miles by total fleet miles generated during the preceding year. If
 4 in-state miles are estimated for purposes of proportional registration,
 5 these miles are divided by total actual and estimated fleet miles.

6 (c) The tax imposed by this chapter is a listed tax and subject to the
 7 provisions of IC 6-8.1.

8 (d) No commercial vehicle subject to taxation under this chapter
 9 shall be assessed as personal property for the purpose of the assessment
 10 and levy of personal property taxes or shall be subject to ad valorem
 11 taxes first due and payable in 2001 or thereafter, whether or not such
 12 vehicle is in fact registered pursuant to the motor vehicle registration
 13 laws. No person shall be required to give proof of the payment of ad
 14 valorem property taxes as a condition to the registration of any vehicle
 15 that is subject to the tax imposed by this chapter.

16 SECTION 7. IC 6-6-5.5-3.5 IS ADDED TO THE INDIANA CODE
 17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 18 1, 2009]: **Sec. 3.5. (a) This section applies to a qualified vehicle**
 19 **placed into service in a county that adopts an exemption ordinance**
 20 **under this subsection for a registration year beginning after**
 21 **December 31, 2009, and ending before January 1, 2013. A county**
 22 **fiscal body may provide a temporary exemption from the tax**
 23 **imposed under this chapter by adopting an exemption ordinance**
 24 **after June 30, 2009, and before November 1, 2009. The county**
 25 **fiscal body shall send a certified copy of an ordinance adopted**
 26 **under this subsection to the bureau, the department, and the**
 27 **corporation.**

28 (b) Subject to section 3.7 of this chapter, the owner of a qualified
 29 vehicle may claim an exemption under this section in an adopting
 30 county if:

31 (1) the qualified vehicle is used at a qualified logistics
 32 enterprise that commences operations at a qualified location
 33 after December 31, 2009; or

34 (2) the qualified vehicle is purchased as part of a fleet
 35 expansion by an owner who is engaged in a qualified logistics
 36 enterprise in operation at a qualified location before January
 37 1, 2010.

38 (c) Except as provided in subsection (d), a qualified vehicle in an
 39 adopting county is exempt from the tax imposed by section 3 of this
 40 chapter for the first two (2) registration years that the qualified
 41 vehicle is used at the owner's qualified logistics enterprise.

42 (d) This subsection applies only to a qualified vehicle used at a

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1 qualified logistics enterprise that is located in a brownfield. A
 2 qualified vehicle subject to this subsection is exempt from the tax
 3 imposed by section 3 of this chapter for the first three (3)
 4 registration years that the qualified vehicle is used at the owner's
 5 qualified logistics enterprise.

6 (e) The exemption provided by this section does not excuse a
 7 qualified vehicle from the registration requirements of the
 8 International Registration Plan or IC 9-18.

9 (f) Any business that substantially reduces or ceases an
 10 operation located in Indiana and outside a qualified location in
 11 order to relocate in a qualified location in an adopting county is
 12 disqualified from receiving an exemption under this section.

13 SECTION 8. IC 6-6-5.5-3.7 IS ADDED TO THE INDIANA CODE
 14 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 15 1, 2009]: Sec. 3.7. (a) The owner of a qualified vehicle in an
 16 adopting county may not claim an exemption under section 3.5 of
 17 this chapter unless the corporation determines that owner is
 18 eligible to receive an exemption under section 3.5 of this chapter.
 19 If the corporation determines that the owner of the vehicle is
 20 eligible for an exemption under section 3.5 of this chapter, the
 21 corporation shall issue a certificate of eligibility to the owner of the
 22 commercial vehicle.

23 (b) The exemption may be claimed for each registration year on
 24 forms prescribed by the department or the bureau, whichever is
 25 appropriate.

26 (c) To claim an exemption under this section, the owner of a
 27 qualified vehicle must submit to the department or the bureau,
 28 whichever is appropriate, the following documents when
 29 registering the vehicle:

30 (1) A copy of the certificate of eligibility issued under
 31 subsection (a).

32 (2) The form required by subsection (b).

33 (d) Subject to section 3.5(c) through 3.5(d) of this chapter, an
 34 exemption may be claimed under section 3.5 of this chapter for a
 35 registration year that begins after December 31, 2009.

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